

Development Services Department-2003 Fee Proposal Other Recommendations

Attached please find letters of support the Development Services Department has received from the following organizations regarding the 2003 fee proposal. Some of the letters of support include caveats along with their support, which will be elaborated on in the presentation at City Council. The issues of concern are generally summarized below into three major categories; accountability, affordable/infill housing expedite fee; outsourcing, training,

C Building Industry Association

On February 21, 2003 the Building Industry Association Metropolitan Legislative Committee voted to support the 2003 fee proposal subject to conditions relating to performance measures improvement, outlined in their attached letter dated March 17, 2003.

C Community Planners Committee

On February 25, 2003 the Community Planner Committee voted 21-0-0 (unanimously from the members present) to support the 2003 fee proposal.

C American Institute of Architects (AIA)

The AIA submitted a letter dated March 12, 2003 in support of the 2003 fee proposal. In the letter the AIA references the accomplishments of the AIA and the Land Use and Housing, Technical Advisory Committee (TAC) and encourages the continued use of the TAC as a sounding board for service and process enhancements within the Development Services Department.

C San Diego Regional Chamber of Commerce (SDRCC) - Public Policy Committee

On March 12, 2003 the SDRCC Public Policy Committee voted to support the proposed 2003 fee proposal subject to requests for increased accountability of performance measures. The public policy committee expressed concerns about the payment source of the optional fee for affordable housing projects.

C San Diego Fire Protection Association

On February 11, 2003 the San Diego Fire Protection Association members voted unanimously to endorse the 2003 fee proposal in its entirety.

C Development Services Department Technical Advisory Committee (TAC) of the Land Use and Housing Committee

On March 12, 2003 the TAC voted unanimously to support the 2003 fee proposal. The TAC requested quarterly updates on the department's performance measures and will continue to work with the Department on improvements to the development review process. The members of the TAC noted concerns about the payment source of the optional fee for affordable housing

projects.

C Encanto Neighborhoods Community Planning Group

Derryl Williams, Chairman of the Encanto Neighborhoods Community Planning Group, former member of the Select Committee on Government Efficiency and Fiscal Reform submitted a letter dated March 13, 2003 in support of the 2003 fee proposal.

C California Sign Association

Peggy Thomas, Executive Director of the California Sign Association submitted a letter dated March 11, 2003 in support of the proposed sign permit fee schedule.

C Structural Engineers Association of San Diego (SEAOSD)

Chuck Mendenhall, President of the SEAOSD submitted a letter dated March 10, 2003 stating no objections to the 2003 fee proposal.

C American Society of Landscape Architects (ASLA)

At the Executive Board meeting on March 18, 2003, the Board unanimously voted to endorse the 2003 fee proposal.

C San Diego regional Chamber of Commerce (SEAOSD)

Eugene, Mitchell, Vice President of Public Policy and Communications submitted a letter dated March 18, 2003 supporting the 2003 fee proposal subject to conditions summarized below.

SUMMARY

The following is a summary of the conditions we have received in all of the responses to date from various organizations listed above.

These are:

1) **Accountability:** In general there is support for getting the department the resources and the staffing it needs to meet its performance measures. In return, there is an expectation that the department clearly demonstrate its commitment to meeting stated performance goals. Staff concurs with these concerns and is working with the TAC to develop and monitor performance standards for the department on a quarterly basis. The TAC will report back to LU&H on the progress of this effort. Additionally, the BIA has requested that senior management involvement occur on all discretionary projects after the third review cycle. Staff concurs with this recommendation.

2) **Affordable Housing/Infill Expedite team Optional fee:** There was a concern raised by the BIA, the TAC, as well as the San Diego Regional Chamber of Commerce with respect to the optional fee. Currently the fee is set at \$500 per dwelling unit. These organizations feel that while the fee is appropriate, they are concerned that it is a burden upon the customer providing affordable housing.

3) **Increase outsourcing:** The San Diego Regional Chamber of Commerce recommended that the Department look at increasing its use of outside contracts for plan checks. The Department currently uses outsourcing to address workload peaks and will continue to use this practice, but is not looking to expand it. Additionally, the Department is looking at expanding the use of self-certification programs.

4) **Training:** The San Diego Regional Chamber of Commerce recommended that the Department look at increasing its training sessions between staff and industry professionals. The Chamber felt that there are additional opportunities to create a partnership between the department and private industry. The Department concurs with this recommendation.

Development Services Department Outreach Conducted for 2003 Fee Proposal

1) The parties listed below received a packet from Development Services Department Director Tina Christiansen. The packet included a letter (attached) providing information about the fee proposal, the time and date of the Land Use and Housing Committee meeting, contact information for additional questions, and a copy of City Manager's Report No. 03-040, "Development Services Department Fee Proposal."

C	Richard McCarthy, The Paladin Group
C	Law Offices of Walter P. McNeill
C	Thomas F. Steinke, Esq.
C	Kathryn Conniff, Project Management Associates
C	MEA Attn: Julie Italiano
C	Fire Fighters Union Local 154
C	American Institute of Architects, San Diego Chapter
C	American Society of Civil Engineers
C	California Restaurant Association, San Diego Chapter
C	Construction Industry Federation
C	Consulting Engineers and Land Surveyors of California
C	Contractors State License Board
C	San Diego Regional Chamber of Commerce
C	National Spa and Pool Institute
C	San Diego Apartment Association
C	San Diego Association of Geologists
C	San Diego Board of Realtors
C	San Diego County Rock Producers Association
C	San Diego Lumber & Wood Products Association
C	San Diego Roofing Contractors Association
C	Sheet Metal & Air Conditioning Contractors Association
C	AFL-CIO Local 127
C	Associated Builders & Contractors
C	Associated General Contractors of America, San Diego Chapter
C	Building Industry Association
C	Construction Specifications Institute
C	International Brotherhood of Electrical Workers
C	International Conference of Building Officials, San Diego Chapter
C	Masonry Contractors Association of San Diego County
C	National Electrical Contractors Association, San Diego Chapter
C	San Diego Council of Engineering Laboratories, c/o Law/Crandall, Inc.
C	Structural Engineers Association

- C Plumbing-Heating-Cooling Contractors Association
- C United Association of Plumbers and Steamfitters Local 230

2) The following organizations were contacted by Department management and offered presentations on the fee proposal:

- C American Institute of Architects, San Diego Chapter
- C American Society of Landscape Architects
- C American Subcontractors
- C AFL-CIO Local 127
- C American Society of Civil Engineers
- C American Society of Interior Designers
- C Association of General Contractors
- C Black Contractors Association
- C Building Industry Association
- C Building Owners and Managers Association
- C California Electric Sign Association
- C Consulting Engineers and Land Surveyors
- C International Conference of Building Officials, San Diego Chapter
- C National Electric Contractors Association
- C Plumbing-Heating-Cooling Contractors Association
- C San Diego Apartment Association
- C San Diego Association of Geologists
- C San Diego Board of Realtors
- C San Diego Municipal Employees Association
- C Structural Engineers Association of San Diego
- C San Diego County Water Authority
- C San Diego Unified School District
- C San Diego County Taxpayers Association
- C Community Planning Committee
- C San Diego Regional Chamber of Commerce
- C San Diego Fire Protection Association
- C Development Services Department Technical Advisory Committee

3) An official notice was published in the San Diego Daily Transcript informing the public of the Department's proposed fee changes.



**BUILDING INDUSTRY
ASSOCIATION OF
SAN DIEGO COUNTY**

6336 Greenwich Drive, Suite A
San Diego, CA 92122-5922
(658) 450-1221
FAX (658) 552-1445
www.biasandiego.org

March 17, 2003

PRESIDENT
Kent Aden
The Otay Ranch Company

Honorable Scott Peters
Chair, Committee on Land Use and Housing
202 C Street
San Diego, CA 92120

VICE PRESIDENT
Mike Levesque
Greystone Homes, Inc.

Re: Conditional Support for Development Services Department Fee Proposal

TREASURER/SECRETARY
Scot Sandstrom
Western Pacific Housing
a D.R. Horton Company

Dear Councilman Peters,

**IMMEDIATE PAST
PRESIDENT**
Mike Neal
H.G. Fenton Company

The Building Industry Association of San Diego County is comprised of 1,392 member companies representing a workforce of more than 100,000 men and women. We have reviewed the proposed Development Services Department (DSD) fee proposal and offer the following comments and recommendations.

**CHIEF EXECUTIVE
OFFICER**
Paul A. Tryon

The BIA is prepared to support the staff proposal with the provision that the Technical Advisory Committee ("TAC") be charged with developing and implementing a series of performance standards for DSD as a means to measure the success of the program. Without effective and meaning-full tools for evaluation, the BIA would be hard pressed to support future fee increases. The TAC should develop these monitoring and management criteria for implementation concurrent with the adoption of the proposed increase in development related fees.

*California Building
Industry Association*

*National Association
of Home Builders*

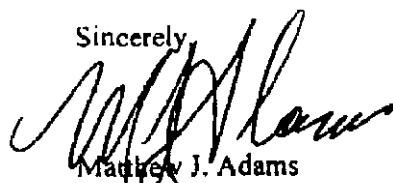
*National Association
of Industrial and
Office Properties*

The BIA strongly supports the change in methodology to calculate fees from the current valuations table to square footage and hourly rate. We believe this will facilitate a more accurate and realistic assessment of the cost of service.

If the city is to proceed with its commitment to expedite processing as a means to address the housing shortage, DSD's budget for additional staff has merit and should be supported. The Committee on Land Use and Housing should be mindful that program funding is derived from customer fees and that it would not negatively impact the general fund.

The BIA appreciates staff's effort to develop a more realistic and comprehensive fee structure. We look forward to working with DSD in order to maximize the efficiency of the regulatory process.

Sincerely,


Matthew J. Adams
Director of Governmental Affairs



Jerry Livingston
Staff Counsel

Community Planners Committee

Planning Department • City of San Diego • 202 C Street, 5th Floor, San Diego, CA 92101

COMMUNITY PLANNERS COMMITTEE RESOLUTION NO.01-2003

WHEREAS, the Community Planners Committee (CPC) of the City of San Diego held a public meeting on Tuesday, February 25, 2003 and at that time discussed the Development Services Department's proposal for the restructuring of its fee schedule,

NOW, THEREFORE BE IT RESOLVED BY THE CPC, that the following motion be approved:

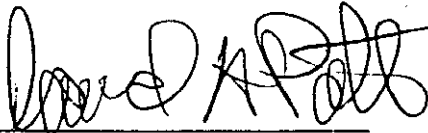
The Community Planners Committee recommends approval of the Development Services Department's proposed restructure of its fee schedule.

Approval of the information contained in the above was passed and adopted by the Community Planners Committee by the following vote:

Yeas: 21

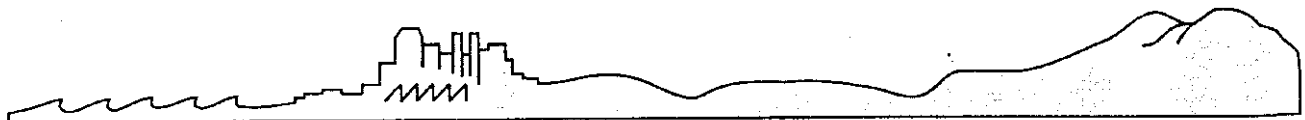
Nays: 0

Abstentions: 0



Dave Potter, Chairperson
Community Planners Committee

**Please refer to Item No. 6 on
the attached minutes.**



This information will be made available in alternative formats upon request. To request an agenda in alternative format, or to request a sign language or oral interpreter for the meeting, call 533-3650 at least five working days prior to the meeting to insure availability. Assistive Listening Devices (ALD'S) are available for the meeting upon request.

Printed on recycled paper

****Please refer to item No. 6
for the Development Services fees**

**COMMUNITY PLANNERS COMMITTEE
MINUTES FOR THE MEETING OF February 25, 2003**

ATTENDEE:

Joetta Mihalovich, Carmel Mtn. Ranch
Ann Fathy, Centre City
Jim Varnadore, City Heights
Dave Potter, Clairemont Mesa
Gary Levitt, Del Mar Mesa
Jim Leighton, Eastern Area
Derryl Williams, Encanto
Steve Stratman, Greater Golden Hill
Mike Powers, Greater North Park
Buzz Gibbs, Kearny Mesa
Claude-Anthony Marengo, La Jolla
Ed Cramer, Linda Vista
Dale Pursel, Midway
Jeff Stevens, Mira Mesa

Peggy Shirey, Miramar Ranch North
John Pilch, Navajo
Gary Weber, Normal Heights
Mel Ingalls, Otay Mesa
Jim Eblen, Otay Mesa/Nestor
Catherine Strohlein, Pacific Beach
Kathy Keehan, Rancho Bernardo
Dick Flanagan, Rancho Penasquitos
Michael Freedman, San Ysidro
Rob Ilko, Scripps Ranch
Guy Preuss, Skyline-Paradise
Deanna Spehn, Tierrasanta
Alex Sachs, Uptown

GUESTS AND STAFF:

City Staff: Gail Goldberg, Betsy McCullough, Theresa Millette, Sabrina Peace, Susan Tinskey, Dan Stricker, Tina Christiansen, Marcela Escobar-Eck, Stephen Russell, Paul de la Houssaye

Guests: Bill Ferguson, Barry Schultz, Gail Cole, Bob Keoane, Michael Conway, Laura Riebau, Matt Adams, Mary Coakley

CALL TO ORDER:

Chairperson, Dave Potter called the meeting order at 7:08

Introductions were made and Committee members gave summaries of various actions taking place in their communities.

APPROVAL OF THE MINUTES FOR January 28, 2003.

Motion made and seconded to approve minutes with corrections; Deanna Sphen was taking off record as making comments regarding Apartment parking. Passed unanimously.

MODIFICATIONS TO AGENDA:

Add Development Services Department Fee Proposal

COMMUNICATIONS FROM THE PUBLIC:

None

PLANNING DIRECTOR'S REPORT:

Gail Goldberg – reported on General Plan Work Program that was brought to Planning Commission and LU&H. LU&H approved the Work Program with several revisions that were recommended by the Planning Commission. The updated Work Program will be distributed to you in March. Gary Weber and Gordon Boerner will serve on the ad hoc committee which will look at the citywide facility and infrastructure inventory. Planning staff is continuing to look into the apartment parking issues raised at January's meeting, and anticipates returning to CPC with the issue as a future agenda item.

BUSINESS:

1. AFFORDABLE HOUSING TASK FORCE:

Jack McGrory, joined by Richard Lawrence, Michael Conway, and Bob Kovan, gave an update on the status of the Affordable Housing Task Force. The Task Force was formed in order to address local affordable housing needs for the City of San Diego. The Task Force is comprised of 20 members who represent community organizations and planning

boards, housing developers, realtors, apartment owners, business and labor. The Task Force will assist in identifying areas of change that will result in an increase to the City's affordable housing stock. Information is available on the Internet at <http://www.sandiego.gov/affordablehousing/>.

2. TECHNICAL ADVISORY COMMITTEE (TAC):

Kirk O'Brien, gave brief description on how the TAC, created by the City Council, advises Development Services on improving customer service and how to expedite or how to make the permit processing run more smoothly with Electronic Plan Checking.

3. HOUSING ELEMENT STATUS REPORT:

Bill Levin provided information on the Housing Element that is a document that comprehensively describes the programs and efforts that the City has under way to meet its housing needs. It is a State required document that is normally updated every five years and is required to be consistent with the General Plan.

4. UPDATE ON THE INCLUSIONARY HOUSING ORDINANCE:

Susan Riggs Tinsky, gave a update on the Negative Declaration for the Inclusionary Program which is posted on our website. The public comment period ends on March 4, 2003. The Ordinance is being reviewed by the City Attorney and expected to have a draft available in the next couple weeks and will be back next month.

5. THE AFFORDABLE/IN-FILL HOUSING EXPEDITE PROGRAM (Amendments to Council policy 600-27):

Mike Westlake, presented a draft report on Affordable/In-Fill Housing Program, and introduces three procedural changes that DSD would like to pursue; will return to CPC next month so formal action can be taken on the three procedures.

- 1) Council Policy 600-27; The Affordable/In-Fill Housing Expedite Program.
- 2) Amendment to the Municipal Code to allow a permit application to expire due to inactivity.
- 3) Amendment to the Municipal Code to allow affordable housing projects to deviate from the city's development regulations.

6. DEVELOPMENT SERVICES DEPARTMENT 2003 FEE PROPOSAL:

Tina Christiansen and Marcela Escobar-Eck presented a draft review of Development Services fee proposal that will be presented to LU&H on March 19, 2003. The report is recommending that City Council revise development review user fees in order to improve all mandatory regulatory review and inspection services to meet established service level standards, to provide for full Department cost recoverability, and to offer the limited enhanced and voluntary optional services.

CPC recommends approval of a motion to endorse the Development Services Department's recommendation for restructuring their fee schedule.

Motion (Varnadore) made to accept Resolution No. 01-2003 as submitted. Seconded by (Pruess)

Vote: Passed 21-0-0

REPORTS TO CPC:

- Staff Report:
Apartment Vacancy Rating will be heard by Planning Commission March 6, 2003 – (Millette)
- Subcommittee Report:
COMPACT – (Ferguson)
- Chair Report:
None

7. FUTURE AGENDA ITEMS

Companion Units
Apartment Parking Issue
Substantial Conformance Review
Expedite Program
Inclusionary Housing Program
Density Bonus Ordinance
General Plan Work Program

Meeting adjourned 9:27 p.m. by Dave Potter.



**2 0 0 3
CONVENTION
SAN DIEGO**

March 12, 2003

Honorable Chair and Members
Land Use and Housing Committee,
San Diego City Council

**Re: 2003 Fee Proposal – City of San Diego Development Services
Department**

Dear Honorable Chair and Members of the
Land Use and Housing Committee,

The San Diego Chapter of the American Institute of Architects would like to express its support of the City of San Diego Development Services Department's 2003 Fee Proposal. The proposed fee structure is designed to more accurately and fairly apportion the cost of providing services to the appropriate project types, and to return service to the acceptable levels of recent previous years that our profession and clientele have come to expect.

We recognize that staffing levels in the Development Services Department (DSD) have not been able to keep pace with the dramatic increase in permit activity volume due to issues such as budget constraints caused by standard salary increases. As an enterprise fund based service provider, the DSD by means of this new fee structure will be enabled to "un-freeze" current budgeted staff positions that have been held open and add new staff as the revenues support them in areas that are badly in need of enhancement to provide these adequate levels of service. At the same time, by bringing certain plan check entities in under the enterprise fund, this proposal will save the City's general fund over \$120,000.00 per year.

We support the DSD's continuing efforts in exploring and implementing measures to provide better service. Through participation in groups such as Land Use and Housing's Technical Advisory Committee, the AIA intends to continue its active role in assisting city staff in this effort. As an example, DSD continues to adopt many timesaving programs such as the multiple-discipline preliminary review process – a service highly valued by our members. Other programs such as e-permitting, project submittal templates, self-certification, the move to combine plan check and inspection under one roof, and the pilot electronic plan check program, to name a few, all promise to save city staff and our clients time and money.

Paul Davis Boney, FAIA
Regional Convention Chairman

Michael J. Angiewicz, AIA
Regional Co-Chair

Michael Peterson, AIA
Regional Co-Chair

Reed Morgan
Host Chapter Executive Director

Elizabeth T. O'Malley
Host Chapter Convention Manager

5555 La Jolla Village Drive, Suite 200
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619.232.4542 fax

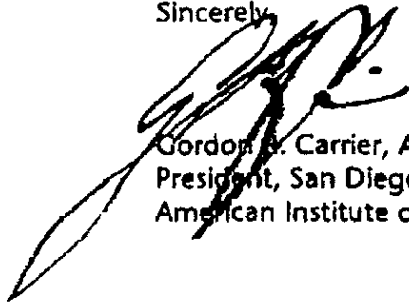
www.aiasandiego.com/2003convention

The AIA also recognizes that the implementation of a new fee structure needs to be monitored to ensure delivery of the promise of better service. As one of the primary users of DSD's services in the City of San Diego, we ask that the Land Use and Housing Committee require city staff to

prepare a quarterly monitoring report on the implementation of the fee proposal regarding service performance for at least the first year to be presented to the AIA for review. Further, we ask that the Land Use and Housing Committee continue to support the ongoing efforts of the Technical Advisory Committee and city staff in improving the services provided by DSD toward the ultimate goal of reducing permit processing times.

The San Diego Chapter of the American Institute of Architects strongly encourages the Land Use and Housing Committee to support the adoption of the Development Services Department's 2003 Fee Proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "G. B. Carrier", with a long, sweeping underline that extends to the left.

Gordon B. Carrier, AIA, NCARB
President, San Diego Chapter
American Institute of Architects

<p>San Diego Regional Chamber of Commerce Public Policy Committee motion re: City of San Diego Development Services Department Fee Proposal March 12, 2003</p>

Support the Development Services Department staff proposal to revise the development review user fees and services with the following recommendations:

1. That the City of San Diego adopt and implement **measurable accountability standards**, that include performance enhancement, and direct the Development Services Department to make quarterly reports to the City Council with regard to accomplishment of these goals.
2. That the Chamber support the concept of the affordable housing expedite program, but that the fees associated with the program should be funded through the general fund, as the charging of these would be counterproductive to the goal of reducing costs to these types of projects.
3. That the City commit to a management level review after a project has gone through three plan checks.
4. That the City enhance its outsourcing services to avoid competition with the private sector, especially with regard to staffing.
5. That the City implement professional development programs for employees that promote problem-solving and collaboration with project applicants.

Motion by Chris Neils, seconded by Nikki Clay. Passed with one member in opposition.



SAN DIEGO FIRE PROTECTION ASSOCIATION

c/o 4760 Murphy Canyon Road
San Diego, CA 92123

March 10, 2003

**Subject: Letter of Support for the Department of Development Services,
City of San Diego.**

The San Diego Fire Protection Association (SDFPA) was formed over fifteen years ago to develop and promote on-going dialog and cooperation between the Fire Sprinkler Contractors of San Diego County and the Fire Authorities within that jurisdiction. Foremost among these was the San Diego Fire Department, and during that time, this avenue of communication has resulted in a significant number of initiatives and procedures that have enhanced the overall level of Fire Protection services within the City. Some years ago, the plan check and inspection functions of the Fire Department were placed under the administrative control of the Department of Development Services. While this appeared to be a more efficient way to administer these functions, there existed, and continue to exist, areas of split responsibility, funding and authority which has in fact degraded the overall level of service which this Department provides.

During the past year, the Department of Development Services has been conducting an intensive investigation and development of a new organization and funding plan which will better reflect the needs of both the City and the industries it serves. The SDFPA was privileged to be asked to be a part of this process, and has been able to provide significant research and information that has been incorporated into the final document. After careful review, it is the position of the SDFPA that this re-organization and funding proposal will result in a significant increase in the efficiency and effectiveness of the inspection and plan check services in particular, and the entire Department as a whole.

On February 11, 2003, the Association members voted unanimously to endorse this proposal, and we urge the City Council to approve this plan in its entirety.

For the Board of Directors,

A handwritten signature in black ink, appearing to read "Michael E. Moffat".

Michael E. Moffat
President

Honorable Chair and Members
Land Use and Housing Committee
San Diego City Council

Re: 2003 Fee Proposal- City of San Diego Development Services Department

Dear Honorable Chair and Members of the Land Use and Housing Committee:

The Land Use and Housing Technical Advisory Committee supports the Development Services Department 2003 Fee Proposal. We understand there is a fee increase to support more positions to meet their performance measurements. The lack of staffing over the past year has increased the turnaround time on development projects which is contrary to our mission.

The Development Services Department 2003 Fee Proposal was unanimously approved by all of the members present at our meeting on March 12, 2003. Members present at our meeting and voted in favor of the 2003 Fee Proposal were Michael Galasso, Reese Jarrett, Janay Kruger, Kirk O'Brien, and Kathi Riser. Our recommendation to the City Council include, looking for another source to pay for the fee for the Affordable/ Infill Housing Expedite Program, possibly the inclusionary housing program. In addition, we request Development Services provide quarterly updates on their performance measures to the Technical Advisory Committee.

Sincerely,



Kirk O'Brien
Chairperson Technical Advisory Committee

cc: Technical Advisory Committee members
Development Services Department

TAC Mission: "To advise the City Manager and the Land Use and Housing Committee on improvements to the development review process, using communication, technology and best business practices to reduce processing times and better serve the customers and citizens of San Diego."

March 13, 2003

Ms. Gina Clark- Bellak
City of San Diego
202 C Street 3rd floor
San Diego 92101

Subject: Development Services Fee Proposal Report No. 03-040

Reference: Land Use and Housing Committee Agenda of March 19, 2003

Dear Ms. Gina Clark- Bellak,

As the current Community Planning Chair of the Encanto Neighborhood Community Planning Group (ENCPG), member of the Community Planning Committee (CPC), former member of the Select Committee on Government Efficiency and Fiscal Reform and currently employed as a Senior Subcontract Administrator for SAIC, I am in support of the proposed fee proposal that is being presented today by Planning and Development Review. My reasons follow:

1. The Department has become more efficient by implementing several improvements as recommended by the Select Committee, including:

- Implemented Electronic Permitting;
- Combined both the plan check and inspection divisions under the Chief Building Official, thus improving coordination in the process;
- Initiated pre-construction meetings;
- Improved customer service training for staff; and
- Implemented process improvements that will reduce the number of required re-checks.

Please note that the select committee recommended all of these and other improvements, which have so far resulted in estimated annual cost savings of \$747,000.

2. The new fees are considered to be fair because they are tied to the City's labor costs and allow adequate staff to provide a high quality as well as timely review. This is important to the applicants as well as community planning groups and the community.

It should be noted that the department's annual labor costs today have increased by \$3.08 million when compared to the 2003 labor cost with 2001 labor cost.

This increase in labor expense has been controlled in the past by holding positions vacant (staff decrease of 6%), and spending the fund balance (from 3 million in 1999 to zero projected in 2003). If this continues without a fee increase, service levels will continue to deteriorate and costs will continue to rise all at the expense of the department's effectiveness.

Ms. Gina Clark- Bellak

March 13, 2003

Page 2

3. It is important to note that the fees pay for a minimum level of service that ensures staff is available when needed for reviews. These fees and prompt service can greatly reduce the cost of the project overall. The cost of even a week or month long wait for plan check can be ten (10) times or more the cost of the fee to provide that service.

Also included in this proposal is the option for some projects that need an even higher level of service and want to pay for it, to opt for the "express plan check." This option will keep the project on schedule to meet tight financing deadlines, create sooner occupancy dates as required by the requestor, and most of all, will aid in keeping land carrying costs at a minimum.

In conclusion, I am in support of the proposed fee proposal to maintain the financial condition of the fund as well as to recover labor costs. This will ultimately result in better services to our citizens and increase the efficiency of the service Planning and Development Review can provide.

Regards,



DERRYL WILLIAMS, CHAIRMAN

Encanto Neighborhoods Community Planning Group

Cc: The Honorable Mayor Dick Murphy
Councilman Scott Peters,
Councilman Charles Lewis, District 4
All other Council Members
Members of the Land Use and Housing Committee
Tina Christiansen, Development Services Department Director
Gail Goldberg, Planning Director
Kelly Broughton, Deputy Director Land Development Review
Betsy McCullough, Deputy Planning Director
Marcela Escobar-Eck, Deputy Director Project Management
Bob Didion, Development Services, Assistant Deputy Director
Mary Wright, Program Manager
Patsy Chow, Senior Planner
Theresa Millette, Associate Planner
David A. Potter, Chairman of CPC



March 11, 2003

Tina Christiansen, Director
Development Services Department
City of San Diego
202 C Street
San Diego, CA 92101

RE: Sign Fees Table

Dear Tina:

On behalf of the California Sign Association (CSA), I want to thank you for allowing the industry to be involved in reviewing and commenting on the proposed sign permit fee schedule.

CSA has always been interested in the adoption and enforcement of fair and equitable sign codes and ordinances. The City of San Diego's sign code is a model code, emulated by many other cities across our great country, just because it is fair and equitable.

Tina, we support the Development Services Department's proposed sign permit fee schedule, which will enable the department to provide the quality service they have in the past.

Thank you for the opportunity for CSA to be involved.

Sincerely,

Peggy Thomas
Executive Director

cc: Roy Flahive, Pacific Sign Construction Inc.
Steve Clippinger, Integrated Sign Associates



STRUCTURAL ENGINEERS ASSOCIATION OF SAN DIEGO

CHARLES A. MENDENHALL, S.E., President
MATTHEW N. MARTINEZ, S.E., Vice President
MICHAEL E. WEST, S.E., Treasurer
CHRIS S. CHRISTAKOS, S.E., Director 2001-2003
ELIZABETH A. JONES, S.E., Director 2001-2003
JAMES A. AMUNDSON, S.E., Director 2002-2004
CINDY J. CECIL, S.E., Director 2002-2004
J. JOHN WALSH, S.E., Past President

KURT B. CULVER, S.E., Secretary
P.O. Box 26500, PMB 203
San Diego, CA 92126
(619) 223-9955

March 10, 2003

Isam Hasenin, Building Official City of San Diego
City of San Diego Building and Safety
1222 First Ave, MS#401
San Diego, CA 92101

Dear Mr. Hasenin:

Thank you for attending the Structural Engineers Association of San Diego (SEAOSD) Board of Directors meeting last Thursday morning and sharing with us the proposed revision to the City of San Diego building permit and plan check fee structure. The board was pleased that you are concerned enough about our opinion of the proposed fee changes to attend our meeting and summarize the changes, as well as list the possible benefits to our members and the public.

Unfortunately, we did not have sufficient time to do an in depth review of all the information you provided but we did understand the basic concept for the proposed revision to the fee structure and the fact that the City Building Department is financially self sufficient in that they operate on an enterprise fund. We have no objection to the proposed fee structure revision which we understand will result in what you estimated as a varying increase in fees, as long as the results of this increase are improved quality and technical expertise of the Building Department engineering staff and better service delivery, which in turn will benefit the engineering design community and the general public.

On behalf of our members, we wish you the best in your new position as the Director of the Building Department. If we can assist you or your staff with structural engineering issues, please feel free to contact me or any of the SEAOSD Board of Directors members.

Sincerely Yours,

Chuck Mendenhall, President SEAOSD

CC: SEAOSD Board of Directors

Sub 3/19/03 #2

ATTENTION: Committee on Land Use and Housing
Docket of March 19, 2003

RE: Manager's Report Number 03-040

Subject: Development Services Department Fee Proposal

WHEREAS, small business owners in North Park and other neighborhoods are being unduly burdened by the current permitting and review process at the Development Services Department, and

WHEREAS, the lack of resources, internal communications, and procedures for addressing existing buildings are not adequate to deliver a basic level of service to small businesses; and

WHEREAS, the failure of the Development Services Department to provide adequate service threatens the economic development of San Diego's older commercial neighborhoods; and

WHEREAS, no representative of small business is listed as a supporter of the proposed increase; and

WHEREAS, the current expedited review procedures requires higher fees but does not appear to small business owners to decrease the time required to obtain permits; and

WHEREAS, small businesses constitute 93% of the City San Diego employers, and

WHEREAS, fear of the current system discourages compliance and therefore endangers the public health and safety and drives businesses to locate in other cities;

IT IS RESOLVED that North Park Main Street does not support the proposed increase in permit and review fees until such time as the Department of Development Services is restructured to provide accountability, consistency, and predictability regarding service delivery to small businesses;

IT IS FURTHER RESOLVED that North Park Main Street demands that the Director of the Development Services Department and appropriate staff be directed to meet with small business representatives until new procedures and systems and a cultural change within the Department to address the needs of small businesses are agreed upon and implemented.

2/7/03

*To: CED Business and Community Outreach Board
From: Kathryn Irey, owner Stage 7 School of Dance
Re: Testimony on permitting process*

The following is the text of my remarks at the CED Business and Community Outreach meeting. I hope it is helpful to you as you work toward improving the business environment for all small business owners in San Diego.

In search of a definitive statement of what is required by the City of San Diego to relocate my pre-existing business from Downtown to North Park into a pre-existing building, I spent six hours over a span of two weeks being sent from cubicle to cubicle at the City's Planning and Development Department. After speaking with about ten different City employees I came to understand that I needed to get a permit for Change in Use / change in Occupancy Rating where no construction is involved.

There was no official form, outline, process overview, no list of fees or requirements for Change in Use in the racks of forms at the City's Department of Planning. Neither the receptionists, nor the staff of the department of business permits, nor the plan-checkers, themselves, could provide me with such documents. Without clear guidelines my experience with the City of San Diego's Department of Planning and Development was like walking into a dark tunnel of unknown length controlled by a committee of unknown bureaucrats each of whom knew SOME of the laws and regulations governing my process (no one person knew them all) while I was allowed to know NONE of the regulations.

It took me FOUR months and many, many time consuming trips down to the City to sort out the permitting process for a business property where there was NO construction and the seismic and fire issues were all in order from the beginning. Those four wasted months when I couldn't open my doors nearly killed my business. What took so long? Negotiating a bureaucratic labyrinth in which employees at all levels issued conflicting information about policies and procedures. I needed regular and repeated intervention by Jay Turner at North Park Main Street to keep my review process moving forward at all. Without his help my business would probably have gone under.

By way of example:

Mid-way through my review process, North Park Main Street put me in contact with a senior structural engineer who examined and approved Stage 7's seismic and fire issues and sent me on to plan-check without attaching any memos regarding his overview of the Stage 7 plan. So, the first plan-checker asked for a host of documents not even relevant to a Change in Use Permit including ... hazardous materials reports, applications for building, electrical, plumbing, demolition, etc with the architect's stamp, all for a preexisting building whose architect had been dead for decades. Clearly the first plan

checker didn't grasp the purpose of my review. I went back to Jay Turner and was referred on to an even higher level in the structural plan check department. After semantic haggling over definitions of space usage, we were sent back to plan-check, again without any notations from the higher-ups or any documentation of what had already been determined by senior staff. I asked the second plan checker whether he knew that the purpose of my review was for Change in Use. He candidly replied that he did not know how to review plans for Change in Use so he reviewed them as he reviews all other construction plans. Not only did he lack guidance from his superiors in the form of notes about what had already been determined, he lacked knowledge of the policies and procedures that govern all cases similar to mine.

I paid over three hundred dollars for an expedited plan-check, only to learn that on the morning of its scheduled day of completion that the plan-check department hadn't even looked at my plans yet. I ended up walking my own plans through several offices just to get the job done.

Since adaptive reuse of existing buildings is an efficient, cost-effective way to revitalize inner-city business districts, wouldn't it serve us to organize, define, and streamline the plan-check process as it applies to existing buildings ?

Post meeting question: Has anyone noticed that the City employees in the Department of Planning and Development have nothing to loose while small business owners have everything to loose, whenever a review process fails?

Second Speaker: Addressed the board on the plan review process and its affect upon small businesses. She stated that her business is now celebrating its 30th year in San Diego, 27 years in Downtown and 3 years in North Park. She spoke on the difficulties she experienced with Development Services when relocating her pre-existing business from Downtown to a pre-existing building in North Park.

She spent six hours over a two-week period being sent from cubicle to cubicle. After speaking with about 10 different City employees, she came to understand that she needed to get a permit from change in use or change in occupancy rating where no construction was involved. There was no form, no outlined process, no overview, no list of fees and requirements for change in use on the display racks on the floors in Development Services and Planning Department. Neither the receptionist nor the staff of business permits nor plan checkers themselves could provide her with such documents.

It took four months and many time consuming trips to the City to sort out the permitting process for a business property where there were no construction issues and the seismic and fire issues were all in order from the beginning. Those four months when she couldn't open her doors nearly ruined her business. She went on to say that negotiating a bureaucratic labyrinth which employees at all levels issued conflicting information about policies and procedures is what made it take so long. She needed regular and repeated intervention by Jay Turner of North Park Main Street to keep her process moving forward and to keep her business from going under.

Midway through the review process, North Park Main Street put her in contact with a senior structural engineer who examined and approved the seismic and fire issues and then sent her on to plan check, without attaching any memos regarding his determinations and overview of the plan. So the first plan checker asked for a host of documents not even relevant to the change in use permit, including hazardous material records, applications for building electrical, plumbing, etc. with an architect's stamp required for a pre-existing building whose architects have been deceased for decades. She contacted Jay Turner and was referred to a higher level structural plan check division. After semantic haggling over definitions of space usage, she was sent back to plan check, again without any notations of the overview of what had already been determined by senior staff. She asked the second plan checker if they knew that the purpose of her review was for change in use. He replied that they did not know how to review change in use, so he reviewed the plans like he reviews all other construction plans. She paid over \$300 for an expedited plan check only to learn on the morning of the scheduled day of completion that the plan check division hadn't looked at the plans yet. She walked her plans to several offices just to get it done. Since adaptive re-use of existing buildings is an efficient cost effective way to revitalize inner city business districts. It would serve us to organize, define and streamline the plan check process.



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April 2, 2003

Kelly Broughton, Deputy Director
Land Development Review
Department of Development Services
City of San Diego
1222 First Avenue
San Diego, Ca 92101

Subject: San Diego Chapter of the American Society of
Landscape Architects (SDASLA) Endorsement of the Landscape
Architects Conformance Program (LACP).

Dear Mr. Broughton:

At the SDASLA Executive Board meeting on March 18, 2003, the Board unanimously voted to endorse the LACP (draft dated 2/18/03) and proposed fee increase.

The SDASLA Board requests that those persons who were appointed to represent the Chapter be informed as to any changes that may occur with the LACP and that they work closely with City Staff to make modifications or revisions to the document. Additionally, the Board requests that an annual review, with the City, occur to determine the efficacy of the LACP and have input as to any changes that may be necessary to improve the process.

As you know, the chapter meeting held on March 12th was well attended and many questions were answered from you, Will Rogers, and Dennis Otsuji (SDASLA Representative). The selling point of this process is that it is purely voluntary, giving two options to process landscape plans through the City of San Diego.

As is the case with many new procedures, there are some that have concerns and are not happy with this new process. I have encouraged them to contact you with those concerns and questions.

The Board would like to thank you for working with the Chapter and keeping us in the loop. We look forward to working with you to make this process work

Sincerely,

David Strickland, ASLA
President



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March 18, 2003

The Honorable Scott Peters
Chair, City of San Diego Land Use & Housing Committee
and Members of the Committee
202 C Street
San Diego, CA 92101

RE: March 19, 2003 Land Use & Housing Committee Agenda - Item 2
Development Services Department Fee Proposal

Dear Chairman Peters and Honorable Committee Members:

The San Diego Regional Chamber of Commerce Public Policy and Infrastructure & Special Projects Committees recently heard detailed presentations about the proposed revision of development user fees by Ms. Tina Christiansen. We appreciate the City's effort to educate the business community on these proposed changes.

The Chamber understands that your development review and inspection services are operated without general fund subsidy (as an enterprise fund) and that the proposed fee revision is necessary to maintain the quality of review, restore and improve the Department's performance and service levels and enhance the fiscal health of the enterprise fund.

For these reasons, our committees agreed to support the City Manager's recommendations. However, our committees also stressed that the business community needs to have an assurance of improved accountability and that more resources would raise the level of service and move projects forward faster. Therefore, we would like to add the following recommendations:

1. That the City of San Diego adopt and implement **measurable accountability standards**, that include performance enhancement, and direct the Development Services Department to make quarterly reports to the City Council with regard to accomplishment of these goals.
2. That the City commit to (mandate) a management level review after a project has gone through three plan checks.
3. That the City enhance its outsourcing services to avoid competition with the private sector, especially with regard to staffing.
4. That the City implement professional development programs for employees that promote problem-solving and collaboration with project applicants.


The Honorable Scott Peters
Chair, City of San Diego Land Use & Housing Committee
and Members of the Committee
March 18, 2003
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5. That the fees associated with the affordable housing expedite program be funded through the general fund.

Please be assured that the Chamber supports the concept of this program, however, we feel that charging for the affordable housing expedite program would be counter-productive to the goal of reducing the costs of these types of projects.

Thank you for considering our recommendations as you weigh this proposal.

Sincerely,


Eugene Mitchell
Vice President
Public Policy and Communications

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